



Lamoine Board of Selectmen

Minutes of May 31, 2007

Chair Jo Cooper called the meeting to order at 7:02 PM at the Lamoine Town Hall. The meeting was telecast and recorded by Lamoine CTV.

Present were: Selectmen Richard Fennelly Jr., S. Josephine Cooper, Brett Jones, Cynthia Donaldson, Chris Tadema-Wielandt; Administrative Assistant Stu Marckoon, Budget Committee members Henry Ashmore, Hubene Brodie, Reggie McDevitt, Robin Veysey, Linda Feury, Joseph Young Jr., School Committee members Faith Perkins, Christina Maguire-Harding, Julie Tilden, Robert Pulver, Nancy Sargent, School Superintendent James Boothby, School Principal Val Perkins, Deputy CEO Michael Jordan, Asst. Town Clerk Kathleen DeFusco, members of the public Richard Davis, Robert & Barbara Pentland, Merrill & Mildred Davis, Wilfred "Phil" Phillips, and CTV operator Wendy Baker.

Agenda – There were three items on an addendum, and no changes proposed to the order of business.

Minutes of May 3, 2007 – Chris moved to approve the minutes of May 3, 2007 with several minor corrections. Richard 2nd. **Vote in favor was 5-0.**

Joint Meeting with Budget Committee/School Committee

Members of both committees identified themselves to the meeting.

Stu suggested following the draft warrant in order for recommendations. He asked if the Board wished to ask Harvey Kelley if he would moderate the meeting. Jo said yes.

Article 2 – Richard asked if it had changed since the March town meeting. School Committee chair Faith Perkins said the budget was lowered by \$2,000. Hubene Brodie asked when the Budget Committee was to meet with the School Committee. Stu said this is the meeting. Jo said this was the chance for the committees to come up with their recommendations.

Budget Committee chair Henry Ashmore asked the School Department to explain why the proposed change since the town has already acted on the school budget. Ms. Perkins said the March town meeting did not have the subsidy figures from the state. She said the budget presented at the town meeting was based on the previous year and best guesses. She said the subsidy information

came in late April, and the amount that the town will receive is \$73,975.42 less than anticipated. She said the budget would be short by that amount.

Chris asked why there was a figure of \$74,000 less. Ms. Perkins said because of the factorization of the town property and the state valuation assigned to Lamoine. She said the school committee has met a number of times since and asked the administration to make any obvious cuts that could be made because the school committee felt they couldn't ask for more money. She said the biggest cut was to reduce the librarian by one day per week. She said there were cuts to conferences and travel, and many nickel and dime items. She said the school committee is presenting new articles, and they are asking for additional local funding, but not the \$73,000 cut by the state. She said that total is \$39,487.07.

Richard asked what savings were found in the school budget. Christina Maguire-Harding said it was about \$32,000. Superintendent James Boothby said that includes both expenditure cuts and increased revenues from anticipated tuition. He said about \$9,000 in expenses were cut, and they've adjusted the balance forward and the tuition revenue lines to come up with the rest.

Dr. Ashmore said the balance forward for FY 2006/07 was \$154,000, and FY 2007/08 is anticipated to be \$185,000. He said that's a sizable balance forward. He said if the school is carrying forward \$185,000, that means the school department is not spending what it budgets.

Ms. Perkins said after the decision was made to cut the budget, they were informed that special education subsidy was also reduced. She said they finally have the inside formula on special education costs. She said money was cut for one student in May. She said instead of cutting that by increasing the budget, they've asked the state to take the cut in the current budget instead of next year's budget.

Dr. Ashmore said the balance forward is figured on the previous year. Mr. Boothby said that was correct. Brett said he's heard that the balance forward came because the school department was given more than was asked for by the state. Mr. Boothby said that was not correct. Stu said the town meeting article that covers tax commitment reduction takes the state GPA formula into the tax commitment formula if more is anticipated than what town meeting expected. Mr. Boothby said unanticipated revenues are part of the balance forward.

Dr. Ashmore asked what the balance forward was expected to be at the end of June, 2007. Mr. Boothby said he thinks it would be \$160,000. Richard asked if it's true there would be a \$100,000 shortfall in state education next year. Mr. Boothby said yes, that's a compounding problem. Richard said the town is also experiencing a greater growth factor than the state and a decline in the student population. He said there is an attempt to redefine the state funding obligations.

Stu said it would be helpful to have a vote from the budget committee on the recommendations so the warrant can be signed later tonight. A short discussion followed on how to make those recommendations. It was agreed to review all the education articles and then make a recommendation after seeing how all the pieces fit together.

Article 3 – Ms. Perkins said the draft recommendation represents a cut of \$7,000 to the operations budget.

Article 4 – Jo asked why this article is on the warrant. Stu explained that the town capital improvements line was one of the three line items mandated by the town meeting several years ago.

Article 5 – Mr. Boothby said the state subsidy amounts are still just estimates. Richard asked if the local contribution is \$73,000 more than that approved in March. Jo said it's around \$39,000. Dr. Ashmore said on the budget revenue summary there is a different number than what was approved. He asked if that was because of going over and above the LD-1 cap. He said it would help if the local appropriation were separated into two parts on the revenue summary sheet – the required local match and the additional local appropriation amount.

Articles 6 & 7 – Selectmen noted there is a missing word in the article in the language drafted by the school department.

Legality of Budget Reconsideration – Mr. Boothby said he spoke with the school's attorney, Bill Stockmeyer, and Lamoine is not the only community to face the issue, many other towns have gone forward with re-votes once the state subsidy figures came in. He said the law that limits reconsideration to within 30-days of adoption has the word "finally" in it. He said Mr. Stockmeyer advised that given the fact that the figures from the state were preliminary and the state didn't provide concrete figures until well after the legal date, and that it was written and stated at town meeting that the state figures were estimates, that's an opening in the law. Stu explained the law requires a reconsideration of a final budget adoption must occur within 30-days. He noted there was an article in today's Ellsworth American that said the town of Sedgwick is facing the exact same situation. Mr. Boothby said this could have raised havoc with towns. He said if this were challenged, \$39,000 would be taken away from the town, and major adjustments would have to be made mid-stream.

Dr. Ashmore said if this goes to town meeting and nothing is changed, the school department has a budget but with \$39,000 less in revenues than needed. He said that could mean running out of money during the school year.

Linda Feury of the Budget Committee said if the town waited until March of 2008, the school committee would know how much they have to carry forward and whether it would offset the loss of revenues. Mr. Boothby said he was not

prepared to add more carry-forward funding because the school department needs to plan for next year. He explained how the carry-forward process works.

Richard said the school department will have to plan for a shortfall next year. He said he knows adjustments will be needed because of valuation and special education. Budget Committee member Joe Young asked if it was reasonable to come up with only \$9,000 on a \$2-million dollar budget. Mrs. Maguire-Harding said they did not cut any projects or positions. She said she was skeptical about that, but it's a very lean budget. Dr. Ashmore said it would seem the school department is looking at a \$150,000 carry forward at the end of FY 2007. Mr. Boothby said that's not just unexpended money, but unanticipated revenues. He said he's aware that the balance forward is \$0 for each year because that balance forward is applied to the future year's school budget.

Budget Committee member Hubene Brodie asked what would happen if the \$39,000 needed came from the \$185,000 balance forward. Mr. Boothby said he would have to add to that revenue source. He said he did not anticipate that kind of balance forward. Jo said this was all very confusing.

Mr. Boothby explained there are two sides to the budget – revenues and expenses. He further explained how the balance forward worked. Richard said we know we have a problem this year, and it may be worse next year. He asked if it's time to cut staff. Ms. Perkins said aides are assigned to particular students, and she said she will assign the school committee to look at programs this year. She said she believes the task is to see if they need to cut programs.

Dr. Ashmore said the consolidation issue is near a reality. He said if a town doesn't vote to consolidate, it would get penalized, assuming the Legislature passes the bill. He said if the bill passes as presently proposed, Lamoine could join the regional district as of July 1, 2008, and there would be no local school budget. He said the School Department ought to be authorized to expend from the balance forward. He said if there is a balance, it goes to the district.

Ms. Perkins said the school committee did discuss it, and some towns have made that move, but the board feels it is risky. Brett said if that doesn't happen, the town just has \$40,000 to make up. Mr. Boothby said by avoiding doing as Dr. Ashmore proposed is the conservative approach to try to level taxes year to year. He said it's gambling one way or another. He said the school committee felt it was the best course for future years. A short discussion followed on which way to go.

Mr. Young said if the town is talking about making up \$40,000 next year, there won't be the impact of the salt/sand shed that is on the docket for this year, and that may put the town in a better position next year.

Mr. Young moved to recommend not to allocate \$39,000 from property taxation but to have that come out of the balance forward account. Mrs. Brodie 2nd.

Ms. Perkins asked if that means the articles don't go to town meeting or are there two recommendations on the warrant. She said she understood the recommendation is that the additional funding not come from taxation. Stu summarized the recommendation, asking if the difference would be in draft article 6. The budget committee said that would be correct. There was a brief discussion on how to explain the concept of balance forward at the town meeting.

Mr. Boothby said he was uncomfortable with adding balance forward to the revenue mix that has not been accounted for. Ms. Maguire-Harding said the explanation needs to be very clear on what the balance forward is. **Vote in favor by the Budget Committee was 5-1 (Veysey opposed).**

Jina's Gym Fund – Jo said the goal is to make sure the state or regional school system following consolidation does not get the money that was raised locally. Ms. Perkins said the board has talked about setting this money aside in a separate town fund, even if consolidation doesn't pass. She said privately raised money is currently under the purview of the school committee. She said it should probably be under someone else's control. She said if it makes sense to have it under the jurisdiction of the town with some sort of advisory committee it would be better than having it under the control of the school committee. She said other alternatives included applying for non-profit status for the Jina's Gym organization or to find a fiscal agent. A short discussion followed about the possibility of the Maine Community Foundation administering the funds. Stu asked if the decision has to come from the school committee. Ms. Perkins answered yes.

Portable Classroom Lease – Stu noted this issue is on the next school committee agenda.

Other School Matters – Richard asked if there had been any response in using the funds set aside for the roofing portion of the renovation project to go toward the other portions of the renovation. Ms. Perkins said the application has been resubmitted with no response. Mr. Boothby said they've gone through step one with the state. Ms. Perkins said there was extensive research on the current roof with the original contractor. Mr. Boothby said there have been meetings with the architects and there may be alternatives to the repairs.

Budget Committee/Salt-Sand Shed (Article 8) – Stu said the revenue sources contained in the draft article to fund the salt/sand shed project were made up by him. Richard said he would like to clearly understand the thought process of using \$70,000 in property taxes for the project vs. using the capital improvement fund. He suggested that \$115,000 come from the capital improvement fund with no property taxes for the project. Stu said that he looked at the expenditure

components of the entire municipal budget and compared those percentages to the capital improvement's fund and came up with utilization of the fund using the percentage that could be applicable to the non-school budget, setting aside the remainder of the fund for school capital projects. Richard said he was opposed to raising any property tax for a salt/sand shed when there is the capital improvement fund.

Jo said the Budget Committee said the salt/sand shed funding was part of the reasoning for utilizing the balance forward to fund the school budget. Wilfred Phillips asked why the town should raise more money when there is money in the bank. Richard Davis asked why the taxpayers should be nailed for \$70,000 more. Jo said she agreed the town should not raise taxes if it doesn't have to. She said this is for discussion at this time and the issue at the moment is the total amount for the shed project.

Linda Feury said the latest budget report shows the town has collected 99% of its budgeted revenues. Richard said Stu did a pretty good job of estimating and keeping the surplus account at the \$300,000 goal. Brett said the question is at what level to keep the capital improvement fund. Jo said she would be comfortable if \$130,000 was there.

Robin Veysey asked if there is anything we know of that we have to do. Richard said we could leave money in the account and avoid raising taxes later, or spend it today and deal with projects down the road when and if they arise. Jo said there is a good balance in there and we could get walloped later. Richard said he was ired when he saw the proposal to raise taxes when there is money in the fund. Cynthia said when discussion started about a salt/sand shed the town didn't know it would have that money and it didn't know it would need a shed so soon. She said we're lucky to have the money. She said it's important to do good managing. Richard said the town should not be banking the money at taxpayer's expense.

Mildred Davis asked how the town would go about taxing. Stu said he didn't understand her question. Mrs. Davis asked about how the commitment process would work since the town budget was already approved. Stu said the commitment has not yet happened and he didn't expect it would before the special town meeting in June. A short discussion followed.

Dr. Ashmore said he would like to see how the Selectmen vote on the funding sources for the shed. Jo moved to use \$55,000 from the salt/sand shed reserve fund, \$115,000 from the capital reserve fund, and \$40,000 from undesignated fund balance. Cynthia 2nd. Cynthia asked if Stu was sure there would be \$55,000 in the salt/sand shed fund. Stu said he was confident there would be when the time comes to use it. **Vote in favor was 5-0.**

Mr. Young moved to have the Budget Committee support the Selectmen's position. Linda 2nd. **Vote in favor was 5-1 (McDevitt opposed).** Mr. McDevitt

said he didn't think enough work has been done on the salt/sand shed matter. Richard said they were operating with an engineer's estimate and the bid prices could be lower.

Article 9 (Roads) - Henry asked why the next articles are an emergency. Stu explained the damage was done during the storms on St. Patrick's and Patriots' Day, and the work needs to be done. Richard moved to have the Selectmen recommend approval as written. Brett 2nd. **Vote in favor was 5-0.**

Mr. Young moved to recommend the same as the Selectmen. Ms. Feury 2nd. **Vote in favor was 6-0.**

Article 10 (Paving) - Richard asked if this was based on the price of oil. Stu said it's based on the firm bid price that came in after town meeting. Richard moved to recommend as drafted. Chris 2nd. **Vote in favor was 5-0.**

Mr. Young moved that the Budget Committee make the same recommendation. Ms. Veysey 2nd. **Vote in favor was 6-0**

Articles 11-13 (Veterans' Memorial) – Chris suggested switching the order of the articles. Stu said it doesn't really make much of a difference. A short discussion followed about where to locate the memorial.

Jo said the Veterans' Memorial Committee recommended that the town put \$5,000 into the fund. Dr. Ashmore asked how much the committee expects the memorial to cost. Jo said about \$25,000, and she's feeling pretty good about the project. She said Franklin recently constructed a memorial for \$85,000. She said Weiniger monuments was doing a revised estimate to include two benches. She said the group plans to start fundraising after town meeting, and the aim is for a dedication on Memorial Day 2008.

Mr. Young moved that the Budget Committee recommend \$5,000 on draft article 13. Mr. McDevitt 2nd. **Vote in favor was 6-0.**

Joint meeting – Selectmen/Budget Committee – Selectmen said they wanted to discuss the budget process with the Committee before the budget season. It was agreed that would happen the 1st Selectmen's meeting after Labor Day. Cynthia said the request was partly out of her confusion and the desire to know how each board expects the other to operate.

Ms. Perkins said the School Committee would appreciate being in on the discussion to learn how to access the Budget Committee's support. Dr. Ashmore said he could sympathize with the school committee. He said Franklin has a special town meeting in June for the school. Jo said the Selectmen are getting ideas from other communities on how their budget process works. Mr. McDevitt said some towns put their town meeting ahead of the fiscal year.

Dr. Ashmore asked what Cynthia's concerns were. Cynthia said she just wanted to know the rules of the game. Dr. Ashmore said that would be a good conversation for September.

Town Hall Roofing Bids – Jo opened the submitted bids and read them as follows:

Bidder	Town	Price	Notes
Michael Jordan	Lamoine	\$12,400 \$11,600	Higher price is with plywood over addition
New Vision Builders Adam Fitzherbert	Surry	\$10,600+	Bid did not include repairs that would be billed on unspecified time & material basis.
Maine Coast Roofing Christie Higgins	Mt. Desert	\$12,605	
STIX Builders Matthew Smith	Auburn	\$28,347	
David Trask	Hudson	\$19,825	
Roof Systems of Maine Jeremiah Emerson	Bangor	\$20,860	
Matthew Willette	Bangor	\$16,600	

Selectmen reviewed the bids. Mr. Jordan, who was present, noted that the town hall roof could not be warranted like the fire house because it does not have soffet vents. He said the warranty would only be up to 5-years from IKO.

Jo moved to award the bid to Michael Jordan with plywood on the vault addition if necessary. Brett 2nd. **Vote in favor was 5-0.**

Mr. Jordan asked if he could review the other bids. Stu said yes, they are a public record.

Salt/Sand Shed – Stu said there is a question of whether this qualifies as a municipal building or a commercial building. He said the DEP variance and the Site Plan Review pre-application have been done. Chris asked if the proposed site is zoned properly for the DEP variance. Stu said it was.

Jo said she had maintenance questions. Stu said Hancock's maintenance budget was used for electricity. A short discussion followed about having a light pole at the site, and who would be responsible for maintenance.

Snow Contract – The previous maintenance discussion led into discussion of a draft of the snow removal contract with Nankervis Trucking. Selectmen read over the proposed contract, Stu pointed out where it had changed from the previous contract. Several changes were made. Jo moved to send the contract

with the changes to Nankervis Trucking for comment. Brett 2nd. **Vote in favor was 5-0.**

Surveying Road to Bloomfield Park – Jo moved to accept the offer from Herrick & Salsbury to lay out a new entrance into Bloomfield Park in conjunction with Stuart and Lisa Branch who have agreed to split the cost. Chris 2nd. **Vote in favor was 5-0.**

Insurance Inspection – Stu reported he'd prepared a reply to the insurance inspector. Brett inquired about the repair project at the transfer station. Stu said he spoke with Richard King and it should be done next week.

Honor Graduate Certificates – Selectmen signed certificates of commendation to the following honor graduates:

Name	High School
Kelsey Schur	MDI High
Elan Ward	MDI High
Caitlin Christie	MDI High
Anna Clewley	MDI High
Alexandra Raynor	MDI High
Cody Spruce	MDI High
Valerie Leighton	MDI High
Casandra Engstrom	Ellsworth High
Jessie Lofton	Ellsworth High
Emily Miller	Ellsworth High
Tacy Mullins	Ellsworth High
Steven Nickerson	Ellsworth High
Amanda Overlock	Ellsworth High
Kimberly Tupper	Ellsworth High

Thank-yous to litter cleanup folks – Selectmen signed thank-you letters to the nearly 40-people who participated in the annual roadside litter cleanup on May 19th.

Road Repairs – Stu reported that he has contacted Bangor Hydro in regard to Cos Cob Avenue after being advised that trees were in the way and growing into the utility lines.

Selectmen asked Stu to see that the contractors get moving on the emergency repairs, as some of the roads are in worsening condition.

Personnel List – Stu presented a written list of those positions that have appointments expire on June 30th. Selectmen asked him to call the board members to see if they're up for reappointment.

Expenditure Warrant 23 – Selectmen signed expenditure warrant 23 for \$39,337.71. Stu noted about \$32,000 was the school payroll.

Cash & Budget Report – Stu reported revenues are now in excess of that which was budgeted.

Banking Services – Stu noted the agreement with The First runs out at the end of June. Jo said she did not see any particular need to change. Richard says it's a big hassle factor when changing. Chris said there is always the risk that a new agreement would not work as well. Jo said she was not eager to go through the bid process again. Richard said he would prefer to leave the banking services as-is. Chris said the Board should revisit the issue in March of 2009. There was no disagreement.

Water Tests – Stu reported the water test results from around the closed landfill are in, the latest being from the DEP wells which arrived this morning. He urged Selectmen to review the results, but said nothing stood out as unusual.

Tax Settlement – Stu reported a payment of a personal property tax bill the previous Saturday had satisfied collection of all the taxes committed in 2004. Selectmen signed the settlement agreement with Tax Collector Jennifer Kovacs. Stu noted that he's still waiting for a bankruptcy trustee to pay the final personal property tax bill for the 2003 commitment.

Air Raid Siren Offer – Stu reported Chris Meyer had offered to give the town an air-raid siren he had obtained. Discussion followed on where it could be placed, how it would be powered and why it would be used. Jo said it would serve no good purpose unless everyone knew what it meant when activated. Selectmen instructed Stu to thank Mr. Meyer but that the siren is not needed at this time.

Next Meeting(s) – Selectmen will hold their regular meeting on June 14th at the town hall, gather for the Special Town Meeting on June 19th at the school, and hold the final regular meeting of the fiscal year on June 28th.

Executive Session – Jo moved to enter executive session pursuant to 1MRSA §405(6)(a) at 10:03 PM. Chris 2nd. The purpose of the session was to do a performance review with the Assistant Town Clerk/Assistant Tax Collector. **Vote in favor was 5-0.** Out at 10:18 PM.

Town Meeting Warrant – Selectmen signed the Special Town Meeting warrant for June 19, 2007.

There being no further business, the meeting adjourned at 10:20 PM

Respectfully submitted,

Stu Marckoon, Adm. Asst.

C:\Documents and Settings\stu\My Documents\2007 Documents\Boards07\Selectmen\Minutes\Selectmen Minutes 5-31-07.doc